
Funding for Growth Policies

Fact Sheet and Briefing Paper for the
57th Legislature of the State of Montana
Environmental Quality Council
December 2000

Funding for Growth Policies

December 2000

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* Names of Land Use/Environmental Trends Subcommittee members and staff are displayed in italics.

Legislative Environmental Policy Office Staff

Todd Everts, Legislative Environmental Policy Analyst; Larry Mitchell, Resource Policy Analyst, *Mary Vandenbosch*, Resource Policy Analyst; Krista Lee Evans, Resource Policy Analyst; Maureen Theisen, Publications Coordinator.

Environmental Quality Council

P.O. Box 201704
Helena, MT 59620-1704
Phone: (406) 444-3742
Fax: (406) 444-3971
Website: <http://leg.mt.gov/services/lepo>

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ENVIRONMENTAL QUALITY COUNCIL

PO BOX 201704
HELENA, MONTANA 59620-1704
(406) 444-3742

GOVERNOR MARC RACICOT
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PUBLIC MEMBERS
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Howard F. Strause

LEGISLATIVE
ENVIRONMENTAL
ANALYST
Todd Everts

HB 92

By Request of the Environmental Quality Council

Fact Sheet

What House Bill No. 92 does:

- C Establishes a grant program to be administered by the Montana Department of Commerce (Commerce).
- C Appropriates \$1 million each fiscal year for the 2002-03 biennium from the general fund for the grant program.
- C Awards competitive grants to planning boards, cities, towns, and counties.
- C Allows the use of grants to develop growth policies or to implement growth policies that meet the minimum requirements established by Senate Bill No. 97 in 1999.
- C Sets maximum grant at 50% of the eligible costs or \$50,000, whichever is less. Commerce may award up to 75% of the eligible costs if the local government demonstrates severe economic hardship. Local governments may match the grant with cash or in-kind contributions.
- C Requires that a project must be completed within 2 years. Commerce may authorize a 1-year extension.
- C Sets a grant application deadline of no later than December 31 of each year.

- Ⓒ Limits administrative costs to a maximum of \$50,000 per fiscal year.
- Ⓒ Gives Commerce rulemaking authority.
- Ⓒ Becomes effective on passage and approval to allow Commerce to initiate the rulemaking process as soon as possible.

Why we proposed HB 92:

The Environmental Quality Council (EQC) has devoted a significant effort to studying issues related to changes in land use and planning for growth since 1997. Legislation requested by the EQC and approved by the 1999 Montana Legislature (SB 97) renovated an old tool for community development and land use planning--the comprehensive plan or master plan. Under the new law, comprehensive plans or master plans are now called "growth policies" and they must meet minimum requirements. Development of growth policies is optional. We requested HB 92 for the following reasons:

- Ⓒ Growth policies will yield many long-term benefits to our communities.
- Ⓒ With a growth policy, communities can address land use issues up front, providing predictability to developers and neighboring landowners.
- Ⓒ Planning can save money by encouraging growth to occur in a way that is more cost-effective with respect to provision of infrastructure and services.
- Ⓒ Local governments may be overwhelmed with the task of carrying out mandated activities and meeting basic needs; as a result, some local governments have not placed a high priority on planning. It is important to encourage local governments to invest in growth policies.
- Ⓒ Capital improvements plans are beneficial for any community. The location, timing, and capacity of infrastructure improvements by local government can affect the pattern of growth as well as the cost to the taxpayers for providing these facilities. Furthermore, development of infrastructure is needed to provide for growth.
- Ⓒ More funding options are needed to encourage local governments to invest in the development of growth policies so that communities can encourage growth to occur in a way that is more cost-effective with respect to provision of infrastructure and services.

Introduction



Who We Are and What We Do: The EQC and the Land Use/Environmental Trends Subcommittee

The Environmental Quality Council (EQC) is a 17-member, bipartisan interim committee of the Montana Legislature. The EQC appointed a Land Use/Environmental Trends Subcommittee to address several work plan topics during the 1999-2000 interim between legislative sessions.

The members of the Land Use/Environmental Trends Subcommittee are:

Ms. Julia Page
Mr. Jerry Sorensen
Senator Barry "Spook" Stang

This briefing paper is the outcome of one of the Subcommittee's work plan goals: evaluate funding needs for the development and implementation of growth policies.

Steps in the Process

The process for developing the EQC's recommendations is summarized below.

- / **1997-98.** The EQC appointed a subcommittee to study issues related to planning for growth. This significant effort resulted in the EQC report *Planning for Growth in Montana*. The EQC concluded that more funding options are needed to encourage local governments to invest in the development of growth policies so that communities can encourage growth to occur in a way that is more cost-effective with respect to provision of infrastructure and services. The EQC recommended that the Legislature provide additional state funds to local governments for planning and authorize additional funding authority for local governments.
- / **1999.** The EQC requested legislation to provide funding for growth policies. Senate Bill No. 407 allocated \$1 million each fiscal year from the lodging facility use tax (bed tax) for a grant program to pay for development and implementation of local growth policies. SB 407 was not approved by the 1999 Montana Legislature.
- / **May 1999.** The 1999-2000 EQC appointed the Land Use/Environmental Trends Subcommittee.

- / **September 1999 through January 2000.** Representatives of local governments made presentations at Subcommittee meetings about their experiences with growth policies.
- / **January 2000.** The Subcommittee sent letters to the following organizations inquiring about the need for additional funding for growth policies as well as their view on an appropriate funding source: Montana Building Industry Association, Montana Association of Counties, Montana Association of Realtors, Montana League of Cities and Towns, and Montana Smart Growth Coalition.
- / **April 2000.** Subcommittee members participated in the Montana Growth Policy Forum. Representatives involved with various initiatives related to growth policy in Montana participated in this dialogue. Participants agreed on the need to fund growth policies.
- / **May 2000.** At its May 4 meeting, the Subcommittee requested comment from any interested parties on the need for supplemental funding for growth policies as well as potential funding sources. The Subcommittee identified options for funding growth policies and decided to distribute a draft options paper for comment.
- / **June 2000.** A draft options paper was circulated for public comment.
- / **July 27, 2000.** Subcommittee meeting and public comment. The Subcommittee decided to propose that the EQC recommend funding for growth policies.
- / **July 28, 2000.** The EQC decided to recommend that the Legislature provide additional state funding for grants to local governments for growth policies and authorize additional funding authority for local governments.
- / **August 2000.** The EQC circulated six draft bills for public comment.
- / **September 2000.** Subcommittee members appeared before the Local Government Funding and Structure Committee and urged that Committee to consider the need for local funding mechanisms for growth policies and to identify local funding options that can be used for the development and implementation of growth policies.

The EQC decided to request legislation that provides \$1 million each fiscal year from the general fund for grants to cities, towns, and counties for the development or implementation of growth policies (HB 92).

What Are Growth Policies? Why Are Growth Policies Important?



Legislation requested by the EQC and approved by the 1999 Montana Legislature (Senate Bill No. 97) renovated an old tool for community development and land use planning--the comprehensive plan or master plan. Under the new law, comprehensive plans or master plans are now called "growth policies" and they must meet minimum requirements. (See **Appendix A** for minimum requirements for growth policies.) Development of growth policies is optional.

Communities develop growth policies to fulfill a diverse set of goals. Examples of goals and principles from growth policies that have been adopted or are under consideration in Montana communities may help to illustrate why communities choose to develop growth policies:

- C encourage a healthy, diversified, and sustainable economy by supporting existing businesses, making prudent infrastructure investments, and attracting new businesses that are compatible with and complementary to the community;
- C control and eradicate noxious weeds;
- C protect property rights and values;
- C encourage development in areas without environmental constraints;
- C encourage the continuation of viable farming and ranching opportunities;
- C improve maintenance of county roads;
- C protect air quality;
- C increase emphasis on tourism development; and
- C ensure adequate fire and law enforcement protection.

Growth policies are not just for growing communities. Some communities that are shrinking or growing slowly have adopted or plan to develop growth policies under the new law.

Growth policies and implementation activities, such as capital improvements plans, are important for the following reasons:

- C With a growth policy, communities can address land use issues up front, providing predictability to developers and neighboring landowners.
- C Growth policies are an economic development tool for communities. Growth policies address economic conditions and local services and include a strategy for public infrastructure.
- C Communities that develop growth policies and zoning regulations have the option of establishing an expedited subdivision review process if certain requirements are met.
- C Growth policies must include a strategy for development, maintenance, and replacement of public infrastructure. A capital improvements strategy is beneficial for any community. The location, timing, and capacity of infrastructure improvements by local government can affect the pattern of growth as well as the cost to the taxpayers for providing these facilities. Furthermore, development of infrastructure is needed to provide for growth.
- C Planning can save money by encouraging growth to occur in a way that is more cost-effective with respect to the provision of infrastructure and services.

Funding Needs



Local Government Interest

Following enactment of SB 97 in 1999, local governments have shown a renewed interest in growth policies. The EQC knows of 15 counties and 12 cities and towns that have adopted or plan to develop a growth policy under the new law (see **Appendix B**). The EQC does not know about every community that intends to adopt a growth policy or about local governments that would develop growth policies if they had the resources. However, the EQC knows that three local governments applied for and did not receive grants from the Community Development Block Grant (CDBG) Program in the spring of 2000.

Costs

The table in **Appendix C** shows actual and estimated costs for development of growth policies under the new law. Costs vary considerably and depend on: whether or not the local government has an ongoing planning program, how long it has been since the plan was last updated, the rate of change in land use in the jurisdiction, the scope of the plan update, and other factors. The cost estimates range from \$8,500 for Powder River County to \$200,000 for the city of Bozeman.

Prior to enactment of SB 97, the EQC surveyed local governments to determine the costs of developing or updating master plans. Actual costs ranged from \$30,000 to \$500,000.

The costs of implementation activities will vary widely. Planning for infrastructure development is an important element of community planning. Cost estimates for capital improvements plans funded through the CDBG Planning Grant Program ranged from \$6,500 to \$35,000.

Updating or developing subdivision or zoning regulations is another example of an implementation activity. For example, the city of Helena has a \$50,000 contract with a consultant to prepare unified development regulations. These include subdivision regulations, zoning regulations, and relevant portions of the city code. The contract also includes costs related to a website for the regulations.

Currently Available Funding Sources

Currently available funding sources are described briefly below.

CDBG Planning Grants

For the year 2000, the Montana CDBG Program administered by the Montana Department of Commerce (Commerce) allocated \$250,000 for planning grants of up to \$15,000. The grants may be used for a variety of planning activities in addition to preparing or updating a comprehensive plan or growth policy. The grants are awarded on a competitive basis. Cities, towns, and counties are eligible applicants.

In April 2000, Commerce received 25 applications for planning grants. Eleven of the 25 applicants applied for the grant to pay for community growth policies. Seven additional applicants applied for grants to develop capital improvements plans. While most of the applicants received grants, six were turned down. Of these, three applied for grants for growth policies or community planning.

County Land Planning Funds

State law (15-35-108 (3), MCA) requires that 8.36% of the coal severance tax be allocated to a state special revenue account to pay for five types of programs, including county land planning. During the current biennium, \$198,693 was appropriated each fiscal year for county land planning.

The amount distributed to each county ranges from approximately \$3,000 to almost \$6,000 a year.

Local Property Tax

Local governments may fund planning activities from the general fund. Local governments have been limited in their ability to raise revenue since a property tax freeze initiative was approved by the Montana voters in 1986.

Under current law, local governments that have not allocated adequate planning funds to pay for development or implementation of a growth policy in the past have the following options:

- C reduce the general fund budget for another program and allocate that money for development or implementation of a growth policy;
- C ask voters to approve an increase in taxes to pay for the growth policy.

Jurisdictions that have newly taxable property could also use the additional revenue generated from the newly taxable property to pay for a growth policy. Of course, there will be competing demands for this revenue.

Local governments that have established a planning board are also authorized to assess a special levy for planning board purposes. The planning levy is subject to the overall limits on property taxes established in section 15-10-420, MCA. The maximum planning levy varies according to the class of the county or municipality and is specified in the law (76-1-405 through 76-1-407, MCA).

The amount of money raised with this mill levy alone may not be adequate to pay for development and implementation of a local growth policy and other planning board expenses in all jurisdictions. For example, Gallatin County's mill levy revenue in fiscal year 1997 was \$45,398. In comparison, the estimated cost for developing Gallatin County's growth policy is \$100,000 to \$125,000. This expense is in addition to ongoing planning board expenses for subdivision review.

Other Funding Sources

There may be other sources available to some communities. Communities that have been affected by coal mining or hard-rock mining may receive financial assistance for planning. Grants may be available from private foundations or companies. Usually, the grants are awarded on a competitive basis and are targeted toward specific, special projects. Local governments or others may seek donations from landowners or businesses.

Conclusion

Additional funding options are needed. For many jurisdictions, the amount of money available from CDBG grants, county land planning funds, or the planning mill levy represents a small fraction of the cost of developing a growth policy. Furthermore, applications for CDBG grants exceed the funds available. Communities that are interested in developing or implementing growth policies are being turned down for funding.

Funding Options Considered by the EQC



Options

In June 2000, the Land Use/Environmental Trends Subcommittee distributed a draft options paper soliciting public comment on several options for funding the development and implementation of local growth policies. Comments were received from 15 individuals and organizations. Six of the commenters supported the need for additional funding for growth policies. One letter opposed the idea. Options for funding and comments on the options are summarized below.

State Funding

" County land planning funds.

Option: Statutorily allocate county land planning funds to a grant program for cities, towns, and counties.

Comments: Two in favor. One opposed. One reviewer suggested that the appropriation be increased to \$600,000 per biennium and that grants be

provided to county governments exclusively for the development of growth policies.

" Increase appropriation from combined coal tax account (8.36%).

Option: Appropriate additional funds for growth policies from the 8.36% of the coal severance tax revenue that is allocated for five programs. This option would reduce the amount of money available for the general fund and/or one or more of the other programs funded from this account.

Comments: Three in favor.

" Increase coal severance tax revenue allocated to combined coal tax account.

Option: Amend section 15-35-108 (3), MCA, to change 8.36% to a larger number. This option would result in reductions in revenue to the general fund unless the amount allocated for other uses is reduced.

Comments: Three in favor.

" Appropriate lodging facility use tax revenue .

Option: Statutorily appropriate lodging facility use tax revenue.

Comments: Two in favor. Four opposed.

" General fund.

Comments: Five in favor.

Local Funding

" Local option sales tax.

Option: Authorize local governments to adopt a local option sales tax.

Comments: Two in favor. One additional organization in favor, provided that: the tax would be approved by the voters, there would be definite sunset provisions, and the tax would be designated for a very specific purpose. One opposed.

" Local option bed tax.

Option: Authorize local governments to adopt a local option lodging facility use tax in addition to the statewide tax. The Legislature could authorize local governments to use the revenue raised for development and/or implementation of growth policies. Additional uses for the revenue could also be authorized.

Comments: Two in favor. One additional organization in favor, provided that: the tax would be approved by the voters, there would be definite sunset provisions, and the tax would be designated for a very specific purpose. One opposed.

" Increased planning mill levy with exemption from property tax limits.

Option: Amend sections 76-1-405 through 76-1-407, MCA, to exempt the planning mill levy from the limits on property tax revenue established in section 15-10-420, MCA. Increase the maximum mill levy for planning.

Comments: Two in favor. One organization opposed an exemption from the property tax limits. However, they indicated that they might support some type of increased mill levy for planning if the amount was based on costs and tied to population growth or other appropriate factors.

Options for Distribution of Funds

The Subcommittee asked for comment on the options highlighted below. Interested persons were also asked to review the text of SB 407 to identify any additional aspects of the grant program that they wished to comment on.

" Allocation to rural counties.

Option: Set aside a percentage or specified amount of the total funds for grants to rural counties because less populated counties do not have the resources to compete for grant funds with cities and counties that have more resources.

Comments: One in favor. One opposed. One reviewer suggested that \$25,000 a county each year be set aside for Class 5 and Class 6 counties.

" Maximum grant award.

Option: Authorization of grants of up to \$50,000 or 50% of the eligible costs, whichever is less.

Comments: Two in favor. One indicated that 50% was not a large enough share of the cost to provide an incentive. Suggestions from reviewers included: authorizing grants for \$50,000 or 75% of the eligible costs, whichever is less; allowing a lower match upon demonstration of hardship; establishing a special formula that would allow larger or urban counties to receive more than \$50,000; providing \$40,000 a grant and allowing only one grant for each county until all counties have received a grant.

Two reviewers recommended that some of the money be allocated for a baseline entitlement to counties, with the remainder being used for grants.

" Eligible applicants.

Option: Eligible local governments should include cities, towns, counties, and planning boards.

Comments: Two in favor. One comment letter suggested that only planning boards with a letter of support from the governing body should be eligible for grants; another suggested that only counties should be eligible.

" Eligible activities.

Option: Authorize the use of grants to pay for development of a growth policy or implementation of specific activities described in a growth policy that meets the requirements of state law.

Comments: Five in favor. Reviewers noted that lack of funding for implementation activities is a barrier to implementation of the growth policy. One reviewer mentioned the need to provide funding for development of neighborhood plans.

" Time for completion of project.

Option: Require the local government to refund the grant if the activity funded is not completed within 1 year. Authorize Commerce to grant a 1-year extension.

Comments: Two reviewers opposed this approach, noting that it typically takes a minimum of 2 years to adopt a growth policy and that completion of a growth policy within 1 year is

unheard of. They suggested that the local government be allowed 2 years to complete the activity and that Commerce be authorized to grant a 1-year extension.

Additional Options Suggested by Reviewers

Two reviewers suggested a realty transfer tax and another suggested a trust within the coal trust as possible funding sources. One reviewer recommended that the funds be used to provide technical expertise.

Draft Legislation

Six draft bills were circulated for public comment in August 2000. The major provisions of these bills are summarized below. The EQC also solicited comment on whether and/or how the different funding sources should be combined.

Grant Program (LC8001)

Establish a matching grant program to pay for the development and implementation of growth policies by cities, towns, and counties.

Coal Severance Tax Revenue and General Fund (LC8002)

Change the existing statutory allocation of a portion of coal severance tax revenue from an allocation for "county land planning" to an allocation for "grants to local governments for the development and implementation of growth policies." Appropriate \$1 million each fiscal year from the portions of the coal severance tax revenue currently allocated for county land planning and the general fund.

Coal Severance Tax Revenue (LC8003)

Allocate approximately 3.1% of coal severance tax revenue for the grant program established in LC8001. Appropriate \$1 million each fiscal year for grants. Eliminate existing allocation for county land planning.

Treasure State Endowment Fund (LC8004)

Authorize use of the Treasure State Endowment Fund for the grant program established in LC8001. Statutorily appropriate \$1 million each fiscal year for the grant program.

General Fund (LC8005)

Appropriate \$1 million each fiscal year from the general fund for the grant program established in LC8001.

Treasure State Endowment Fund (Montana Department of Commerce Draft)

Statutorily appropriate \$375,000 each fiscal year for two bienniums (July 1, 2001-June 30, 2005) for matching grants for the development, adoption, or implementation of growth policies.

On September 12, 2000 the EQC discussed and heard testimony on the funding proposals. The Land Use/Environmental Trends Subcommittee recommended three funding sources: the general fund, the Treasure State Endowment Fund, and coal severance tax revenue. The Subcommittee recommended modifying LC8003 to retain the existing allocation for county land planning and allocate additional funds for a grant program. The Subcommittee also recommended revising its Treasure State Endowment Fund proposal to reduce the statutory appropriation to \$375,000 each fiscal year and to include a sunset provision so that the funds would be appropriated for the grant program for only two bienniums. The EQC heard the following comments:

- C The Montana Association of Counties and the Montana League of Cities and Towns supported the grant program and all of the Subcommittee's revised funding proposals.
- C The Montana Environmental Information Center supported the grant program and recommended appropriating money from the Treasure State Endowment Fund to pay for the grants.
- C The Montana Contractors Association opposed use of the Treasure State Endowment Fund for the grant program.
- C Commerce provided a letter indicating that it would be appropriate to temporarily allocate money from the Treasure State Endowment Fund as provided in the Subcommittee's revised proposal.

Findings, Recommendations, and Proposed Legislation



Findings

- C Growth policies will yield many long-term benefits to our communities.
- C Planning can save money by encouraging growth to occur in a way that is more cost-effective with respect to provision of infrastructure and services.
- C Local governments may be overwhelmed with the task of carrying out mandated activities and meeting basic needs; as a result, some local governments have not placed a high priority on planning. It is important to encourage local governments to invest in growth policies.
- C More funding options are needed to encourage local governments to invest in the development of growth policies so that communities can encourage growth to occur in a way that is more cost-effective with respect to provision of infrastructure and services.

Recommendations

- C The EQC recommends that the Legislature appropriate \$1 million each fiscal year for grants to cities, towns, and counties to be used for the development or implementation of local growth policies.
- C The EQC recommends that local governments be authorized to use any appropriate local government funding mechanisms recommended by the Local Government Structure and Funding Committee or authorized by the 2001 Montana Legislature for the development and implementation of growth policies.
- C The EQC recommends that the lodging facility use tax continue to be considered a potential source of funds to pay for the development and implementation of growth policies if new revenue becomes available. The EQC should continue to monitor the revenue raised by this tax as well as the use of that revenue.

Proposed Legislation

The EQC requested a bill (HB 92) to implement its recommendation for funding. The full text of HB 92 is presented in **Appendix D**. Key provisions of HB 92 include:

- Establishes a grant program to be administered by Commerce.
- C Appropriates \$1 million each fiscal year for the 2002-03 biennium from the general fund for the grant program.
- Grants may be awarded to planning boards, cities, towns, and counties.
- Grants may be used to develop growth policies or to implement growth policies that meet the minimum requirements established by SB 97 in 1999.
- The maximum grant is 50% of the eligible costs or \$50,000, whichever is less. Commerce may award up to 75% of the eligible costs if the local government demonstrates severe economic hardship. Local governments may match the grant with cash or in-kind contributions.
- The project must be completed within 2 years. Commerce may authorize a 1-year extension.
- Commerce has rulemaking authority.
- The law will become effective on passage and approval to allow Commerce to initiate the rulemaking process as soon as possible.
- Sets a grant application deadline of no later than December 31 of each year.
- Limits administrative costs to a maximum of \$50,000 per fiscal year.

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Sharon Haugen, Director, Community Development and Planning, Lewis and Clark County, *Overview: Lewis and Clark County Comprehensive Plan Process*, handout for presentation to Land Use/Environmental Trends Subcommittee, December 2, 1999.

Greg Hinkle, Sanders County Planning Board Chair, telephone conversation, September 2, 1999.

Bob Horne, Great Falls City-County Planning Director, telephone conversation, March 16, 2000.

Kathy Macefield, Senior Planner, City of Helena, telephone conversation, March 21, 2000.

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Chris Saunders, City of Bozeman, Department of Planning and Community Development, telephone conversation, May 22, 2000.

Monte Sipe, City of Polson, personal communication (survey), October 13, 1999.

Craig Taft, Big Horn County Health Department, telephone conversation, November 1999.

Lanette Windemaker, Manager Long-Range Planning, Gallatin County, facsimile, March 21, 2000.

Appendix A

Minimum Content Requirements for Growth Policies

76-1-601. Growth policy -- contents. (1) The planning board shall prepare and propose a growth policy for the entire jurisdictional area. The plan may propose ordinances or resolutions for possible adoption by the appropriate governing body.

(2) A growth policy must include:

- (a) community goals and objectives;
- (b) maps and text describing an inventory of the existing characteristics and features of the jurisdictional area, including:
 - (i) land uses;
 - (ii) population;
 - (iii) housing needs;
 - (iv) economic conditions;
 - (v) local services;
 - (vi) public facilities;
 - (vii) natural resources; and
 - (viii) other characteristics and features proposed by the planning board and adopted by the governing bodies;
- (c) projected trends for the life of the growth policy for each of the following elements:
 - (i) land use;
 - (ii) population;
 - (iii) housing needs;
 - (iv) economic conditions;
 - (v) local services;
 - (vi) natural resources; and
 - (vii) other elements proposed by the planning board and adopted by the governing bodies;
- (d) a description of policies, regulations, and other measures to be implemented in order to achieve the goals and objectives established pursuant to subsection (2)(a);
- (e) a strategy for development, maintenance, and replacement of public infrastructure, including drinking water systems, wastewater treatment facilities, sewer systems, solid waste facilities, fire protection facilities, roads, and bridges;
- (f) an implementation strategy that includes:
 - (i) a timetable for implementing the growth policy;
 - (ii) a list of conditions that will lead to a revision of the growth policy; and
 - (iii) a timetable for reviewing the growth policy at least once every 5 years and revising the policy if necessary;
- (g) a statement of how the governing bodies will coordinate and cooperate with other jurisdictions that explains:
 - (i) if a governing body is a city or town, how the governing body will coordinate and cooperate with the county in which the city or town is located on matters related to the growth policy;
 - (ii) if a governing body is a county, how the governing body will coordinate and cooperate with cities and towns located within the county's boundaries on matters related to the growth policy;
- (h) a statement explaining how the governing bodies will:

- (i) define the criteria in 76-3-608(3)(a); and
- (ii) evaluate and make decisions regarding proposed subdivisions with respect to the criteria in 76-3-608(3)(a); and
- (i) a statement explaining how public hearings regarding proposed subdivisions will be conducted.
- (3) A growth policy may:
 - (a) include one or more neighborhood plans. A neighborhood plan must be consistent with the growth policy.
 - (b) establish minimum criteria defining the jurisdictional area for a neighborhood plan;
 - (c) address the criteria in 76-3-608(3)(a);
 - (d) evaluate the effect of subdivision on the criteria in 76-3-608(3)(a);
 - (e) describe zoning regulations that will be implemented to address the criteria in 76-3-608(3)(a); and
 - (f) identify geographic areas where the governing body intends to authorize an exemption from review of the criteria in 76-3-608(3)(a) for proposed subdivisions pursuant to 76-3-608.
- (4) The planning board may propose and the governing bodies may adopt additional elements of a growth policy in order to fulfill the purpose of this chapter.

Appendix B

Local Communities Interested in Growth Policies

Communities Interested in Growth Policies

November 5, 2000

This list includes those cities, towns, and counties that the EQC staff is aware of that have adopted, plan to develop, or are developing growth policies. The EQC staff probably do not know about all of the cities, towns, and counties that are developing growth policies.

Counties Developing or Planning to Develop Growth Policies (15)

Beaverhead

Big Horn

Broadwater

Carbon

Gallatin

Jefferson

Lake

Lewis and Clark

Madison

Powder River

Ravalli

Sanders

Sweet Grass

Teton

Treasure

City with Adopted Growth Policy (1)

Great Falls

Cities and Towns Developing or Planning to Develop Growth Policy (11)

Bozeman

Colstrip

Dillon

Hamilton

Kalispell

Lewistown

Manhattan

Polson

Stevensville

Twin Bridges

Virginia City

Unsuccessful Applicants for CDBG Grants for Growth Policies (April 2000)

Town of Saco
Fergus County
Lincoln County

Bold type means the community received a CDBG grant in December 1999 or June 2000.

Appendix C

Costs for Development of Local Growth Policies

| Jurisdiction | Date/Status | Estimated Cost | Source of Funding |
|------------------------|--|---------------------------------|--|
| Beaverhead County | 11/99; Beginning process with information gathering. Working closely with city of Dillon. | Unknown | \$10,000 Community Development Block Grant (CDBG) Technical Assistance Grant. |
| Big Horn County | 11/99; Consultant hired for phase 1. Data gathering in process. Northern Cheyenne, Crow Tribes, and Hardin interested in participating. Expect to finish information gathering required by SB 97 by January. | est. \$80,000 | \$10,000 CDBG Technical Assistance Grant. |
| Gallatin County | 3/00; Plan update in process. Next round of public meetings in summer. Public hearings planned for fall 2000. Expect to complete in 2000. | est. \$100,000 to \$125,000 | General fund, Planning mill levy. National Spatial Data Infrastructure grant. U.S. Forest Service grant. County land planning funds. |
| Lake County | 1/00; One-third complete. | \$18,000 spent so far | \$7,500 CDBG grant. |
| Lewis and Clark County | 12/99; Completion expected April 2000. | \$195,000 + \$30,000 staff time | All-purpose mill levy. Planning mill levy. |
| Sanders County | 3/00; Growth policy "adopted" by County Commissioners 1/00. However, never passed resolution creating planning board so growth policy not legally adopted. Considering next steps. | \$30,000 | \$15,000 CDBG grant. \$15,000 general fund. |
| Sweet Grass County | 5/00; In process. Draft prepared for public comment. Scheduled for completion in July. | \$50,000 | Planning mill levy. Mine impact payments. |
| Powder River County | 5/00; Waiting for guide from Department of Commerce. | \$8,500 | Coal Board grant. |
| Bozeman | 5/00; In progress. Anticipated completion fall 2000. | Up to \$200,000 | General fund. Planning mill levy. |

| Jurisdiction | Date/Status | Estimated Cost | Source of Funding |
|---------------------|---|-----------------------|--|
| Dillon | 10/99; Just beginning planning process. | \$20,000 | \$10,000 CDBG Technical Assistance Grant. |
| Great Falls | 3/00; Plan adopted November 1999. | \$170,000 | \$150,00 from federal sources: FHWA, FTA, CDBG. Other sources. |
| Polson | 10/99; Preplan. | \$20,000 | Internal/city. |

Source: Local planning staff; planning board members.

Appendix D

EQC Legislation

[HB 92](#)